

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
COMSAT INTERNATIONAL, INC.)	
)	File No. _____
Application for Global Authority Pursuant)	
to Section 214 of the Communications)	
Act of 1934, as amended to Operate)	
as an International Facilities-Based and)	
Resale Carrier Between the United States)	
and Various International Points)	

APPLICATION

COMSAT International, Inc. (“CI” or “Applicant”) hereby requests authority, pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. Section 214, and Section 63.18 of the Commission’s rules, 47 CFR Section 63.18, to provide international facilities-based and resale services between the United States and international points. For the reasons set forth below, Applicant respectfully requests that this Application be granted expeditiously through the Commission’s streamlined processing procedures pursuant to Section 63.12 of the Commission’s rules.

I. The Applicant

CI is organized and incorporated in the State of Delaware. CI is a wholly-owned subsidiary of COMSAT Corporation (“COMSAT”), which in turn is a wholly-owned subsidiary of Lockheed Martin Global Telecommunications, LLC, which in turn is a wholly-owned

subsidiary of Lockheed Martin Corporation, which currently holds carrier authorizations through its various other business units.¹

CI is affiliated with its 8 international subsidiaries, all of which are located in countries that CI may serve pursuant to the authority requested herein. These affiliates are all relatively new companies whose principal business is to provide private networking services for corporate clients in their respective markets. Each of these affiliated entities has less than a twenty percent share of the relevant market in its respective country, so none of these affiliates has sufficient market power to adversely affect competition in the U.S. market. Thus, pursuant to Section 63.10(a)(3) of the Commission's rules, 47 CFR Section 63.10(a)(3), CI should presumptively be considered a non-dominant carrier for service to each of these countries.

CI also is affiliated, through COMSAT, with COMSAT World Systems ("CWS"), which distributes INTELSAT space segment. Pursuant to a 1998 Commission Order, CWS is regulated as a non-dominant carrier except on certain designated routes where it is still regulated as dominant (the "thin routes").² CI may, pursuant to the authority requested herein, use the facilities of CWS or resell services obtained from CWS, but CI agrees to be regulated as dominant to the extent that it uses CWS' facilities or resells CWS services to those countries for which CWS is regulated as a dominant carrier.³

¹ Lockheed business units that hold Section 214 authorizations are Lockheed Martin Global Telecommunications, LLC, Lockheed Martin Global Telecommunications Services, Inc., COMSAT World Systems, COMSAT General Corporation, and CI Services, Inc.

² *In the Matter of COMSAT Corporation Petition Pursuant to Section 10(c) of the Communications Act of 1934, as amended, for Forbearance from Dominant Carrier Regulation and for Reclassification as a Non-Dominant Carrier*, Order and Notice of Proposed Rulemaking, 13 FCC Rcd 14083 (1998) ("Non-Dominance Order").

³ The list of countries for which CWS is still regulated as a dominant carrier for switched services can be found in Appendix A of the Non-Dominance Order, 13 FCC Rcd at 14176. The list of countries for which CWS is still regulated as a dominant carrier for occasional-use video services can be found in Appendix B of that Order, 13 FCC Rcd at 14178. These appendices are attached to this Application.

II. Public Interest

By granting this application, the Commission will serve the public interest, convenience, and necessity by increasing competition in the international service market. Competition will benefit U.S. consumers by increasing service options and lowering prices. Thus, the public interest will be served by the grant of Section 214 authority to CI as requested herein.

III. Information Required by Section 63.18

The following information is submitted, as required by Section 63.18 of the Commission's rules, 47 CFR Section 63.18, in support of CI's request for authorization.

(a) The name, address, and telephone number of the applicant are as follows:

COMSAT International, Inc.
6560 Rock Spring Drive
Bethesda, Maryland 20817
(301) 214-3000

(b) COMSAT International is a corporation organized under the laws of the State of Delaware.

(c) Correspondence concerning this application should be sent to:

Robert A. Mansbach
Assistant General Counsel
COMSAT Corporation
6560 Rock Spring Drive
Bethesda, Maryland 20817
(301) 214-3459 (Tel)
(301) 214-7145 (Fax)

with a copy to

Troy F. Tanner
Ulises R. Pin
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW – Suite 300
Washington, D.C. 20007
(202) 295-8360 (Tel)
(202) 295-8478 (Fax)

(d) COMSAT International, Inc. has not received authority previously under Section 214 of the Communications Act.

(e) (1) COMSAT International requests global Section 214 authority to operate as a facilities-based carrier pursuant to Section 63.18(e)(1) of the Commission's Rules. Applicant requests such authority for all international routes over all facilities authorized by the Commission, except that it does not seek authority pursuant to Section 63.18(e)(1) to provide services using facilities obtained from CWS to those countries listed on the Commission's list of "thin route" countries for which CWS is regulated as a dominant carrier, in accordance with Section 63.18(e)(1)(ii).⁴ In addition, while CI is affiliated with foreign carrier subsidiaries in several countries as discussed below, each of these carriers has less than a twenty percent share of the relevant markets in its respective country. Thus, none of these affiliate carriers has sufficient market power in the destination market to affect competition adversely in the U.S. market. Finally, Applicant does not seek authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of such services or authority to provide services to countries or using facilities listed on the Commission's exclusion list. Applicant certifies that it will comply with the terms and conditions of Sections 63.21 and 63.22 of the Commission's Rules.

(2) COMSAT International requests global Section 214 authority to resell the international services of authorized U.S. common carriers pursuant to Section 63.18(e)(2) of the Commission's Rules. Applicant requests such authorization for all international routes authorized by the Commission, except that it does not seek authority pursuant to Section 63.18(e)(2) to resell services obtained from CWS to those countries listed on the Commission's list of "thin route" countries for which CWS is regulated as a dominant carrier, in accordance with Section 63.18(e)(2)(ii).⁵ In addition, while CI is affiliated with foreign carrier subsidiaries in several countries as discussed below, each of these carriers has less than a twenty percent share of the relevant markets in its respective country. Thus, none of these affiliate carriers has sufficient market power in the destination market to affect competition adversely in the U.S. market. Applicant certifies that it will comply with the terms and conditions contained in Section 63.21 and 63.23 of the Commission's Rules.

(4) Pursuant to Section 63.18(e)(4), CI also seeks specific authority to use the facilities of CWS and resell the services of CWS to those markets for which CWS is still regulated as a dominant carrier. CI agrees to be regulated as a dominant carrier to the extent that it uses CWS facilities or resells CWS services to countries for which CWS is regulated as dominant.⁶ CI certifies that it will comply with the terms and conditions contained in Sections 63.21 and 63.22 and/or 63.23 of the Commission's rules, as appropriate.

⁴ As stated above, the list of "thin route" countries is found in the Non-Dominance Order. The list of countries is attached to this application.

⁵ *Id.*

⁶ *Id.*

- (f) Applicant seeks the authority to provide only the services referenced under paragraph (e)(1), (e)(2) and (e)(4) of Section 63.18 of the Commission's Rules.
- (g) Use of the facilities contemplated under paragraph (e)(4) above are categorically excluded as defined by § 1.1306 of the Commission's Rules because they involve the use of previously authorized existing facilities.
- (h) The following entities hold a ten percent (10%) or greater, direct or indirect, ownership interest in **COMSAT International Inc.:**

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
COMSAT Corporation 6560 Rock Spring Drive Bethesda, MD 20817	100%	USA	Telecommunications

The following entities hold a ten percent (10%) or greater, direct or indirect, ownership interest in **COMSAT Corporation:**

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Lockheed Martin Global Telecommunications, LLC 6560 Rock Spring Drive Bethesda, MD 20817	100%	USA	Telecommunications

The following entities hold a ten percent (10%) or greater, direct or indirect, ownership interest in **Lockheed Martin Global Telecommunications, LLC:**

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Lockheed Martin Corporation 6801 Rockledge Drive Bethesda, MD 20817	100%	USA	Defense Industry

Lockheed Martin Corporation is a widely held public company. There are no 10% or greater shareholders of Lockheed Martin Corporation.

(i) COMSAT International, is affiliated with the following foreign carrier subsidiaries:

- 1) COMSAT Argentina, S.A.
Carlos Pellegrini 1363-PISO 6
(1011) Buenos Aires, Argentina
- 2) COMSAT Brasil, Ltda.
R. Sansao Alves dos Santos, 76-12 Andar
CEP 04571-090 Sao Paulo, SP, Brasil
- 3) Comunicaciones Satelitales de Colombia S.A.
Carrera 15 No. 101A-77
Santa Fe de Bogota
Colombia
- 4) COMSAT de Colombia, S.A.
Carrera 15 No. 101A-77
Santa Fe de Bogota
Colombia
- 5) COMSAT Max Limited
507/508 Madhva Building
Bandra Kurla Complex
Bandra East
Mumbai, India 400051
- 6) COMSAT Mexico, S.A. de C.V.
Avenida Renato Leduc 321
Col. Toriello Guerra, Tlalpan
C.P. 10450, Mexico, D.F.
- 7) COMSAT Peru, S.A.C.
Martir Olaya 129 Of. 1901
Centro Empresarial Jose Pardo
Miraflores, Lima 18
Peru
- 8) COMSAT Venezuela, C.A.
Av. Fco de Miranda, Edif. Parque Cristal
Torre Este, Mezzanina 2, Local 28
Caracas – DF, Venezuela

(j) CI seeks authority to provide international facilities-based and resale services to each of the countries listed in paragraph (i) above.

- (k) Each of the affiliates listed in paragraph (i) above is a relatively new company providing a limited range of services in their respective countries. These affiliates primarily provide private networking services to corporate clients. Each of these affiliates has a relevant market share of less than twenty percent in its respective country, so these affiliated foreign carriers lack sufficient market power in their respective countries. Thus, applicant satisfies Section 63.18(k)(2).
- (l) Each of the affiliates listed in paragraph (i) above has a market share of less than twenty percent in its respective country, so these affiliated foreign carriers lack sufficient market power in their respective countries to affect competition adversely in the U.S. market. Thus, because the foreign affiliates lack 50 percent market shares in the international transport and the local access markets in their respective countries, the criteria in Section 63.10(a)(3) are satisfied.
- (m) The foreign affiliates listed in paragraph (i) each have less than a twenty percent market share in their respective countries, so they each lack a 50 percent market share in the international transport and local access markets in their respective countries. Thus, CI shall presumptively be classified as a non-dominant.
- (n) CI certifies that it has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
- (o) CI certifies pursuant to Sections 1.2001 through 1.2003 of the Commission's rules that no party to this application has been denied federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) This application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules. Although the applicant is affiliated with a number of foreign carriers as described above, it qualifies for a presumption of non-dominance in the relevant markets under Section 63.10(a)(3) because each of the foreign affiliates lacks 50 percent market share in the international transport and the local access markets on the foreign end of the routes. In addition, although the applicant is affiliated with a carrier, CWS, that is regulated as dominant on a number of routes, applicant agrees to itself be regulated as a dominant carrier to the extent that it resells CWS services to countries for which CWS is regulated as a dominant carrier. Thus, pursuant to Section 63.12(c)(1)(ii) and Section 63.12(c)(2), this application qualifies for streamlined processing.

IV. Conclusion

In conclusion, COMSAT International certifies that all of the information in this application is accurate and correct. For these reasons, COMSAT International respectfully requests that the Commission grant this application.

Respectfully submitted,

COMSAT INTERNATIONAL, INC.

By: /s/ John H. Mattingly

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March 6, 2002

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